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Timeless Seeds, Inc P.O. Box 881 Conrad, MT 59425

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January 19, 2007

Testimony in Support of Senate Bill 42

Mr. Chairman and members of the Committee:

My apologies for not being able to testify in person. Unfortunately, our annual organic certification inspection through the Montana Department of Agriculture is taking place today.

Timeless Seeds, Inc. is a 20-year old specialty food grain and seed business with headquarters in Conrad. We initially operated from my farm, in 1994 moved into leased facilities in Conrad, and currently are undertaking a major expansion and will have its main office in Conrad with production facilities in Ulm.

A number of the programs supported by SB 42 have been critical partners in the survival and expansion of our business over the past two decade. I will briefly identify the most significant impacts:

1. Department of Agriculture's Growth Through Agriculture Program. A \$35,000 loan in 2000 allowed us to develop a branded retail line that is currently on the shelves in over 250 grocery stores nationwide, including 180 Whole Foods supermarkets, the premium natural food store in the world. We have just picked up an important distributor with a customer base of over 1000 grocery stores between Seattle and the Bay Area. Our goal is to have our Montana-grown, Montana-packaged producs in well over 1000 additional stores across the country in the next 5 years. Our acclaimed packaged retail line is a

living example of value added agriculture, bringing money into the state, bringing jobs to rural communities, bringing new markets to farmers. The success of our packaged retail line is a direct result of the Growth Through Ag loan.

- 2. In 2005 we received \$25,000 Growth Through Ag grant to conduct a feasibility study in order to determine the viability of a major expansion. Based on the results of that study, we have invested over \$660,000 in newer, larger facilities, in marketing materials, and in staffing. What had been primarily a "two-man show" for 18 years has grown into a current staff of more than 5, as well as provides meaningful employment for 15 to 20 developmentally disabled adults who who package our retail line. Over the next 12 to 18 months our purchases from Montana farmers will increase by a factor of 300% to 400%, and over the next 5 years we will be custom cleaning as much as 10 Million lbs. of Montana flax under contract from a North Dakota firm, bringing new out-of-state dollars to Montana farmers. The Growth Through Ag. feasibility study was a major contributing factor in our having the courage to take our business to the next level.
- 3. The Department of Commerce's international trade office and it's overseas offices in Taiwan and Japan have allowed us to open up important new markets in Asia and Europe. We are a small company in a small Montana town, and yet approximately 20% of our business is overseas. This is a direct result from the ongoing technical and market access assistance from Department of Commerce.
- 4. Montana Manufacturing Extension Center. MMEC was invaluable with engineering and efficiency assistance in our expansion. Timeless will continue to utilize MMEC's incredibly professional and dedicated staff again and again as we continue to grow our business.

By continuing these and other programs, SB 42 will make similar opportunities available for other small rural businesses, and I urge you to help make those opportunities possible. I urge your support of the bill.

Best Regards,

David N. Oien